



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Salt Lake City Field Office  
2370 South 2300 West  
Salt Lake City, Utah 84119  
ph: (801) 977-4300; Fax: (801) 977-4397  
[www.ut.blm.gov/saltlake\\_fo](http://www.ut.blm.gov/saltlake_fo)



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DIV. OF OIL, GAS & MINING

Mr. John D. Olwine  
J.D. OLWINE Inc.  
5650 S. 961 E  
Murray, Utah 84121

Dear Mr. Olwine:

On June 16, 2010, the Salt Lake Field Office received J.D. OLWINE Inc's (Olwine) request to purchase mineral materials from the Grayback Hills located in W $\frac{1}{2}$ W $\frac{1}{2}$  of Section 7, T. 1 S., R. 11 W., and the E $\frac{1}{2}$ E $\frac{1}{2}$  of Section 12, T. 1 S., R. 12 W., SLB&M. After an initial review, at this time your request is considered incomplete and in order for our office to further process your request we would need additional information from you.

A map, engineered drawing, sketch or aerial photograph at an appropriate scale identifying the area for which you are applying and showing the location of exploration activities, drill sites, mining activities, processing facilities, stockpiles (both topsoil and product), waste rock and tailing disposal areas, equipment (loaders, dozers, crushers, conveyors, etc.), vehicle staging/parking areas, support facilities, structures, buildings and access routes. If applicable, cross-sections of the areas you plan on mining to show the pre and post mining topography.

A written description of your proposed methods of operation, periods during which you will operate, measures you will take to prevent hazards to the public health and safety and to minimize and mitigate environmental damage.

A reclamation plan that includes a statement of the proposed manner and time in which you will complete reclamation of the area(s) disturbed by your operations, a map, engineered drawing or sketch that delineates the area(s) you will reclaim.

As of November 7, 2005, a final rule amended the Bureau of Land Management's (BLM) minerals regulations to increase certain fees and to impose new fees to cover the BLM's cost of processing documents relating to the minerals programs (cost recovery). What this means is Olwine may be accountable for the direct and indirect cost of processing the requested mineral materials permit, including but not limited to land status determination, wildlife and or cultural clearances, labor, travel, printing and administrative costs. Once this office receives the additional information required to further process your mineral material request, we will send Olwine a fee estimate that should include all actual costs BLM expects to incur in processing your permit. If you wish to provide comments on the estimated fee, you have 30 days from the date of receipt of that letter to make such comments.



BLM will review your comments and make any adjustments as necessary. After the 30 day comment period is over, BLM will submit a written final fee estimate accompanied by a bill which will be mailed to you. After you receive the bill, your payment is due within 30 days. BLM will bill for the entire amount. If in processing the application we encounter higher costs than anticipated we will provide a revised estimate, but processing will not stop. If the bill is less than estimated then BLM will refund any unused funds. Processing of your permit will not begin until the BLM receives full payment of the agreed estimate.

Depending on the scope of your proposed operations, further environmental analysis may need to be conducted within your proposed operating area. Any costs to conduct further environmental analysis would also fall under cost recovery and Olwine would be financially responsible for such costs.

Also, you may need authorization from the Utah Division of Oil, Gas & Mining depending on the scope of your operation and the type of mining you plan on conducting. I suggest contacting that agency to see if such authorization would be necessary.

If you have any questions regarding your proposal or the fees connected with it, please contact Larry Garahana of my staff at (801) 977-4371.

Sincerely,

A handwritten signature in dark ink, appearing to read "Michael G. Nelson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Michael G. Nelson  
Assistant Field Manager  
Nonrenewable Resources

cc: Leslie Heppler, UDOGM